United Nations A/72/154

General Assembly

Distr.: General
17 July 2017

Original: English

Seventy-second session
Item 102 of the provisional agenda*
Review of the implementation of the recommendations and decisions adopted by the General Assembly at its tenth special session

United Nations Institute for Disarmament Research

Note by the Secretary-General

The Secretary-General hereby transmits to the General Assembly the report of the Director of the United Nations Institute for Disarmament Research (UNIDIR) on the activities of the Institute for the period from January to December 2016 and the proposed programme of work and financial plan for 2017 and 2018.

The report was considered and approved for submission to the General Assembly by the Board of Trustees of the Institute at the sixty-eighth session of the Advisory Board on Disarmament Matters, held in New York from 28 to 30 June 2017.

The Board was impressed by the sheer number of projects and activities undertaken by the Institute over the past year and by the quality of its research output. The Board expressed its gratitude to the Director and staff for successfully managing the Institute's substantive work. The Board especially appreciated the steps taken by the Institute to enhance its communications and outreach.

The Board also strongly supported a one-off increase in the regular budget subvention for the biennium 2018-2019, as recommended by the General Assembly in its resolution 70/69. The Board looked forward to the independent third-party assessment of the Institute, expected to be carried out early in 2018, to be followed by a report of the Secretary-General. The Board stressed that the sustainable and stable funding structure and operating model outlined in the report of the Secretary-General must respect the mandate and objectives of the Institute, as contained in the UNIDIR statute.

* A/72/150.

17-12029 (E) 310717

Please recycle

Report of the Director of the United Nations Institute for Disarmament Research on the activities of the Institute for the period from January to December 2016 and the proposed programme of work and financial plan for 2017 and 2018

Summary

The present report covers the activities and financial status of the United Nations Institute for Disarmament Research (UNIDIR) during 2016, the ongoing programme of work and financial plan for 2017 and the proposed programme of work and financial plan for 2018. The report was prepared in accordance with General Assembly resolution 39/148 H, in which the Assembly invited the Director of UNIDIR to report annually to it. The report highlights the achievements of the Institute during the above-mentioned period, as well as its current institutional and financial situation.

The mission of UNIDIR is to generate and leverage knowledge to improve disarmament and security policies, programmes and practices. It fulfils this mission through a wide-ranging research portfolio comprising five research programmes: weapons of mass destruction, conventional weapons, emerging security issues, security and society, and, through the support it provides, disarmament machinery.

Following stakeholder consultations and reflection on its research objectives and activities as a contribution to its 2017-2020 strategic planning exercise, the Institute developed a research agenda consisting of three cross-cutting thematic priorities to give focus to the activities of its five research programmes: promoting multilateral progress on current problems in international peace and security; addressing dual use; and curbing armed violence.

While the Institute has continued to measurably improve its institutional performance, the challenge of ensuring its long-term operational sustainability while maintaining its autonomy persists. Operating a research institute within the United Nations entails high operating costs. While dedicated, earmarked project funding is growing, the Institute continues to face a challenging environment in financing the institutional framework necessary to undertake those activities in compliance with the rules, regulations and requirements of the Organization. States are increasingly unable or unwilling to contribute to the institutional operations budget, funding not limited to the implementation or duration of a specific project or activity.

If the above-mentioned trend is not reversed, the Institute will face increasing constraints in its operations. Follow-up to and full implementation of resolution 70/69, adopted by the Assembly on 7 December 2015, will be crucial to preserve the future of the Institute and to put in place a sustainable and stable funding structure and operating model as required to achieve the mandate and objectives of the Institute (see resolution 70/69, paras. 9 and 10).

I. Introduction

1. Over the past 37 years, the United Nations Institute for Disarmament Research (UNIDIR) has built an international reputation for innovation and problem-solving. UNIDIR has continued to fulfil its mandate by providing fact-based analysis — including emerging issues — and offered new ideas for making progress on a range of peace and security issues that relate to disarmament. The Institute has also acted as a convener and facilitator in multilateral disarmament-related matters. In short, through its research and related activities, UNIDIR has sought to assist the international community in improving its disarmament and security policies, programmes and practices.

2. The present report covers the activities and financial status of UNIDIR during 2016, the ongoing programme of work, revenue and expenses for 2017 and the proposed programme of work and projections for 2018.

II. Research agenda of the United Nations Institute for Disarmament Research

3. In 2016, the Institute undertook a process of stakeholder consultations and reflection on its research objectives and activities as a contribution to the Institute's 2017-2020 strategic planning exercise. UNIDIR has subsequently developed a research agenda or road map:

(a) To establish internal guidance on how specific research objectives should relate to the UNIDIR mandate;

(b) To better communicate externally how UNIDIR activities relate to fulfilling its mandate.

4. The road map consists of three cross-cutting thematic priorities intended to situate specific research objectives developed in the course of the Institute's ongoing internal research and project development cycle in accordance with its mandate:

(a) **Promoting multilateral progress on current problems in international peace and security**. To assist the disarmament and non-proliferation community through research and related activities on its current priorities, including identifying emergent problems, new approaches and solution pathways with a particular view to multilateral agreements now in the pipeline or being considered;

(b) **Addressing dual use**. Carrying out forward-looking research on current and emergent problems associated with dual-use technologies, to provide general insight into the problems involved and stimulate new initiatives for responding to them;

(c) **Curbing armed violence**. To help the international community to better understand the myriad means and impacts of armed violence and offer practical tools and proposals to prevent and ameliorate them.

III. Programme of work

A. Performance information for 2016: status of completed or ongoing projects

5. Informed by the cross-cutting thematic priorities presented in section II, UNIDIR continues to organize its substantive work into five research programmes: weapons of mass destruction, conventional weapons, emerging security issues, security and society, and disarmament machinery.

6. In 2016, UNIDIR implemented 20 projects, held 31 events and issued 20 publications. UNIDIR staff also participated in numerous events held by or in cooperation with partners. In addition to participating in events held in Geneva, UNIDIR staff were invited to make presentations at events held in Abidjan, Abuja, Addis Ababa, Bonn (Germany), Cairo, Bangkok, Brussels, Geilenkirchen (Germany), Kinshasa, Lomé, London, Mogadishu, Nairobi, New York (United States), Oberammergau (Germany), Oslo, Ouagadougou, Port of Spain, Pretoria, St. Thomas and St John district (United States Virgin Islands), Stockholm, Thun (Switzerland), Tokyo and Tunis, among others.

7. The information presented below is based on activities carried out in 2016. Detailed information, publications, and multimedia and other resources are available on the UNIDIR website.

1. Projects completed in 2016

(a) Weapons of mass destruction

8. The statute of UNIDIR accords high priority to work aimed at curbing weapons of mass destruction, particularly nuclear weapons. In the recent past, there has been a renewed focus in the international community on nuclear issues, and UNIDIR has responded to that interest by expanding and diversifying its activities related to nuclear disarmament, arms control and non-proliferation.

(i) Verification: nuclear disarmament

9. Irrespective of the approach or process by which States decide to take nuclear disarmament forward, mechanisms will be needed to verify the destruction of nuclear armaments and assure possessors and non-possessors alike that no nuclear weapons remain. This project surveyed current work on verification mechanisms as well as possible precedents for future work. It also identified key challenges and issues that will need to be resolved if a nuclear-weapon-free world is to become a reality. The survey was presented at a First Committee side event.

(ii) Gender and nuclear weapons

10. The project examined the relationship between nuclear weapons and gender — how and why the two are connected, to each other as well as to shared global agendas such as sustainable development. New research was undertaken into gender imbalance in multilateral nuclear disarmament-related forums. The resulting study, produced in collaboration with the International Law and Policy Institute (Oslo), was launched at a First Committee side event.

(iii) Technical aspects of a fissile material (cut-off) treaty

11. This seminar series explored key technical issues identified in the course of the work of the Group of Governmental Experts established by the Secretary-General pursuant to General Assembly resolution 67/53. The objective was to help

all participants in the deliberations on a future treaty to examine the problems involved, explore the technical solutions available or those that needed to be developed, maintain the momentum initiated by the work of the Group and make a practical contribution to resolving issues foreseeable in any future negotiations.

(iv) Humanitarian impact of nuclear weapons, phase IV: effective measures and the humanitarian discourse on nuclear disarmament

12. In the final phase of the multi-year project, UNIDIR produced critical analysis of options under consideration for "effective measures" for nuclear disarmament in a joint publication with the International Law and Policy Institute, entitled "A prohibition on nuclear weapons: a guide to the issues". The study was launched early in 2016, prior to the first meeting of the Open-ended Working Group taking forward multilateral nuclear disarmament negotiations. In May 2016 UNIDIR presented its findings to the Working Group at the Chair's request.

(v) Tabletop exercise on international assistance in response to the invoking of article VII of the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction

13. In cooperation with the Foundation for Strategic Research (Paris), the exercise involved a cross-regional group of government experts from States parties to the Biological Weapons Convention given a scenario of the deliberate spreading of disease. The exercise focused on how a response would be mounted under article VII of the Convention. The results of the exercise were presented at a side event of the Eighth Review Conference of the Biological Weapons Convention in November 2016.

(b) Conventional weapons

14. The focus of UNIDIR activities relating to conventional weapons is threefold: weapons and ammunition management in fragile settings; addressing the illicit global arms trade; and support for the implementation of global instruments and guidelines. Those activities are carried out by developing targeted tools, offering capacity-building and designing improved processes and better methods of stakeholder cooperation and collaboration.

(i) International Small Arms and Ammunition Guidance Platform (phase II)

15. Building on phase I, initiated in 2015, phase II developed a practical arms and ammunition management software tool to assist practitioners in conducting storage assessments at the field level; carried out a series of informal consultative meetings on designing a national framework for full lifecycle management of arms and ammunition in conflict-affected settings; initiated a study to examine possible options and approaches to strengthening the management of arms and ammunition in conflicted-affected settings; and organized a series of national assessment workshops to support States' efforts to review and/or establish baselines on the implementation of small arms control frameworks in line with international guidelines.

(ii) Gender-based capacity-building on small arms and light weapons control and awareness-raising in Libya

16. The objective of the project was to build capacity among women in local communities to raise awareness and educate other community members concerning risks associated with small arms and their ammunition, and to integrate relevant risk reduction education tools into their own programming on small arms control. A seminar and a roundtable meeting in Geneva focused on supporting women in Libya

to develop risk education and armed violence reduction initiatives. The project was developed and implemented jointly with the Mine Action Service.

(iii) Arms Trade Treaty Network

17. UNIDIR, the Small Arms Survey, the Geneva Centre for Security Policy and the Graduate Institute of International and Development Studies continued the work of the Arms Trade Treaty Network, a collaborative forum to support the implementation of the Arms Trade Treaty.

(c) Emerging security issues

18. Advances in science and technology may enable new methods, means and even domains of warfare, thereby raising unique questions about security, stability, law and ethics. The Institute's current work addresses cybersecurity, information security, outer space and the weaponization of increasingly autonomous technologies, framing complex challenges in accessible ways. UNIDIR provides expertise and critical support to advance nascent policy processes, including through its convening power to advance discussions on specific emerging security issues in ways that promote the involvement of stakeholders, including the private sector. Its work emphasizes maintaining the beneficial uses of sophisticated technologies for peaceful purposes.

(i) International cybersecurity issues expert workshop series

19. During the first half of 2016, the Institute and the Center for Strategic and International Studies held three invitation-only workshops on international cybersecurity issues, prior to the commencement of the work of the fifth meeting of the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security. The meetings helped to identify areas of common understanding and of divergence on a number of issues, including norm development, legal measures and possible approaches to the malicious use of cybertools.

(ii) Weaponization of increasingly autonomous technologies: addressing competing narratives (phase II)

20. Under the second phase of a multi-year project, UNIDIR continued to focus on the areas in which it could bring added value to international discussions on autonomy. Phase II privileged cross-disciplinary topics, in which critical issues required consideration beyond the traditional stakeholders of the Convention on Certain Conventional Weapons, such as the private sector and the scientific community. The outputs of the second phase included several events, expert meetings and observation papers, notably drawing attention to potential risk and safety issues of increasingly autonomous technologies.

(iii) Cyberstability conference series

21. Organized in cooperation with the Center for Strategic and International Studies, the 2016 conference was held in June under the theme "Taking security forward — building on the 2015 report of the Group of Governmental Experts". The participants considered how the international community could operationalize and build upon the consensus reports of the three previous meetings of the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security (A/65/201, A/68/98 and A/70/174), and generate momentum for a successful meeting of the Group in 2016-2017. The conference brought together stakeholders from the Geneva

diplomatic community, industry and capital-based policymakers to explore ways to leverage the meeting process towards a peaceful, stable and secure cyber environment.

(iv) Space security conference series

22. The 2016 conference took place in April 2016, on the theme "Sustaining the momentum: the current status of space security". It focused on the current status of issues and processes critical to maintaining space as a peaceful domain.

(d) Security and society

23. The programme focuses on cross-cutting, multidisciplinary approaches to security issues with wider societal ramifications in such areas as health, development, peacekeeping and human rights. UNIDIR also builds networks of stakeholders beyond the security and arms control community, including, for example, experts in artificial intelligence and ethics, technology entrepreneurs, medical professionals and design specialists.

Reverberating effects of explosive force

24. The project contributed to understanding the nature and impacts of the use of explosive force in populated areas, particularly those downstream from the immediate blast, and the fragmentation of explosive weapons ("reverberating effects") through two published studies and a public launch event. Topics central to the project included the ways in which reverberating effects of explosive force could affect the implementation of the post-2015 development agenda, and building a research and policy agenda on reverberating effects.

(e) Disarmament machinery

25. "Unsticking" the United Nations disarmament machinery is critical to enabling progress on both security and development. For this machinery to be both legitimate and relevant, it must be equipped to handle non-traditional security crises and work with experts and practitioners from outside the traditional circle.

26. The Institute's research, analysis and advisory services offer recommendations and support to make existing forums more productive and provide innovative thinking on how the machinery must adapt to address new security issues. One example of the UNIDIR approach in this regard is the blog *Disarmament Insight* (http://disarmamentinsight.blogspot.com/), aimed at helping disarmament practitioners, in particular those working in the Conference on Disarmament, think in more innovative ways.

Taking forward multilateral nuclear disarmament negotiations

27. Drawing on the discussions in the meeting of the Open-ended Working Group taking forward multilateral nuclear disarmament negotiations and particularly on its August 2016 report (A/71/371), UNIDIR convened a seminar focusing on elements of and pathways to nuclear disarmament that featured prominently during the meeting. UNIDIR also prepared a background paper cataloguing the main elements and pathways towards nuclear disarmament as discerned from discussions in the meeting and more generally, including perspectives that may not have been given expression at the meeting. That paper built on an earlier UNIDIR background paper (February 2016) prepared at the request of the Chair of the Open-ended Working Group.

2. Projects continuing into 2017

(a) Weapons of mass destruction

(i) Nuclear weapons in Europe: stepping stones for restrictions and reductions

28. The project examined the "zero deployed non-strategic weapons" proposal concerning the verified withdrawal of non-strategic weapons to permanent storage. The goal was to identify areas of agreement, issues to be resolved and problems associated with practical implementation of this approach. Special attention was paid to the trust and confidence-building measures that could demonstrate the feasibility of the approach and facilitate dialogue between the United States and the Russian Federation with active participation of the States members of the North Atlantic Treaty Organization (NATO). The project report was presented in Geneva in April 2017 (available from http://www.unidir.org/programmes/weapons-of-mass-destruction/nuclear-weapons-in-europe-stepping-stones-for-restrictions-and-reductions).

(ii) Understanding nuclear weapon risks

29. The aim of the project was to deepen policy understanding of nuclear risk through focused research and engagement, to detail the risk picture and communicate those findings to the disarmament community. A risk focus might be one in which a wide range of actors — including both nuclear-armed States and non-nuclear-armed States — find common ground on nuclear-weapons-related issues. The project included commissioned papers as well as meetings devoted to the theme organized in collaboration with relevant institutions. The project report was presented in Geneva in April 2017 (available from http://www.unidir.org/files/publications/pdfs/understanding-nuclear-weapon-risks-en-676.pdf).

(b) Conventional weapons

(i) Weapons and ammunition management in Somalia (phase II)

30. Under phase II of the project, UNIDIR has held a series of national consultative meetings in Mogadishu supporting the Government in establishing systems for import, storage, marking and recordkeeping, and distribution of arms in line with relevant Security Council resolutions. The project is a concrete example of helping a Government to build capacity, provide security to its people and protect its territory. UNIDIR partnered with the United Nations Assistance Mission in Somalia, the Mine Action Service and the United Nations Development Programme, and is currently looking to expand this innovative work.

(ii) Tackling diversion (phase II): promoting regional dialogue to enhance common understanding and cooperation to strengthen end use/r control systems

31. The project had a regional focus — in particular working with States in the global South not party to export control regimes — to identify areas for cooperation, shared understanding and possible alignment of measures aimed at strengthening end use/r control systems at the regional and subregional levels. Key objectives included enhancing the knowledge and capacity of policymakers and practitioners; strengthening common understanding of potential approaches, procedures and practices; and increasing clarity of roles and responsibilities of national actors.

(c) Emerging security issues

Support for the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security, 2016-2017

32. UNIDIR was again selected as the expert consultant to the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security. The first meeting was held in August 2016, the second in November-December 2016 and the third and fourth meetings in February and June 2017, respectively.

(d) Security and society

Increasing transparency, oversight and accountability for unmanned aircraft

33. The project facilitates multilateral dialogue on armed unmanned aircraft. It also builds upon the deliberations of the Human Rights Council and the work of its special rapporteurs, which have highlighted a need to pursue arms control-related aspects of armed unmanned aircraft in United Nations disarmament bodies.

B. Institutional performance for 2016

34. As described in the previous annual report (see A/71/162, paras. 48-56), institutional staff carry out a number of functions to support the Institute's projects and activities. Activities include project development and fundraising; funding agreement negotiations; project implementation and oversight; donor reporting; communications and outreach; organizing travel; and event management. In 2016, the Institute organized or co-organized 31 events (see annex VI).

35. In addition, while UNIDIR engages research staff on a per project basis, the Director, the Deputy to the Director and the Chief of Research are all expected to carry substantive portfolios and expertise, not only to conceive and implement projects, but also to respond to requests for ad hoc expertise and consultations.

36. Communications and outreach are essential to transmitting the research results and impact of the Institute. In 2016, to enhance its outreach, UNIDIR launched a monthly newsletter entitled *UNIDIR Update*, which is currently disseminated to almost 4,000 contacts. In addition, the number of followers of the UNIDIR Twitter account doubled in 2016 to over 2,000.

37. The level of awareness of the breadth and quality of the Institute's activities could be much higher. However, the task of raising greater awareness of the Institute's work has been hindered by the absence of dedicated communications staff since 2013, owing to the lack of institutional funding. The UNIDIR Board of Trustees, at its January 2017 meeting, strongly endorsed the Director's plan to recruit a consultant to strengthen those efforts.

C. Resources and expenditure for 2016

38. Revenue in 2016 was $3,282,000, and total expenditure was $2,180,000 as shown in annex II, table 1, with a total of 28 donors. For the second year in a row, financial information is presented in line with the International Public Sector Accounting Standards (IPSAS), according to which contributions are accounted for in the year in which the pledge is signed, for present as well as for future years. As a consequence, a number of significant disbursements to the Institute are not reflected in the 2016 accounts.

39. Most of the total amount of voluntary contributions was earmarked for specific projects and activities, which receive funding on a rolling basis throughout the year. Consequently, annual and biennial budgeting is of an indicative nature. Advance planning figures are based on an assessment of the Institute's desired accomplishments for the year and an assessment of past funding trends.

D. Activities, resources and expenditure for 2017

1. Projects

40. Revenue and expenses for the first quarter of 2017 are contained in annex II, table 1.

41. Several projects that started in 2016 are ongoing in 2017 (see paras. 28-33). In addition, UNIDIR commenced the following new projects in the first five months of 2017:

(a) Weapons of mass destruction

(i) New approaches to transparency and verification of fissile material stocks

42. Recent work on the fissile material (cut-off) treaty demonstrated broad support for the establishment of a baseline for future reductions of military fissile materials stocks. It would be an important confidence-building measure and strengthen support for the treaty. Practical implementation of the proposal, however, could be very difficult in the light of the secrecy associated with nuclear weapons and military fissile material stocks. Recent advances in verification technologies could help to address these issues and design arrangements that would protect sensitive information, while still allowing detailed and verifiable declarations of existing stocks. This project aims to develop practical transparency measures that could support establishing such a verifiable baseline. The key approach to verification, explored in depth, is the UNIDIR concept of deferred verification. The project also explores other new tools and approaches that could provide transparency in respect of the existing stocks in a non-intrusive way.

(ii) Nuclear disarmament, deterrence and the Treaty on the Non-Proliferation of Nuclear Weapons: bridge-building

43. The project will, in partnership with the Hiroshima Prefecture, examine ways for nuclear-weapon States and non-nuclear-weapon States to move forward cooperatively towards a world without nuclear weapons. Initial attention will be placed on the reasons behind the divergence of approaches and their consequences for ensuring non-proliferation of nuclear weapons and achieving their eventual elimination. The project featured a side event at the 2017 Preparatory Committee for the Review Conference of the Parties to the Treaty on the Non-Proliferation of Nuclear Weapons.

(iii) New approaches to transparency in nuclear security and disarmament

44. Security of weapon-usable fissile materials has long been recognized as an essential element of international security. Significant progress has been made in securing, eliminating, and consolidating fissile materials. However, substantial quantities remain outside the scope of existing international agreements. Fissile materials outside of civilian control account for almost 85 per cent of global stocks. The project will explore ways to strengthen arrangements applied to materials and facilities in the military domain. It will also demonstrate that nuclear security

measures, when designed correctly, can provide a basis for verifiable elimination of fissile materials and nuclear weapons.

(b) Conventional weapons

(i) Arms transfer dialogue

45. The Arms transfer dialogue provides a forum to enhance the knowledge and capacity of Geneva-based diplomats and policymakers to support multilateral processes on conventional arms control and to discuss synergies between international instruments regulating arms transfers and addressing the global illicit arms trade. UNIDIR and the Small Arms Survey are organizing a series of arms transfer dialogue events to promote an exchange of views and the sharing of relevant expertise and experience. After each event, a report will be produced by the Small Arms Survey and UNIDIR for use by States and other stakeholders in relevant multilateral contexts.

(ii) Assessing the role of arms control in managing conflict: a comprehensive examination of weapons and ammunition management frameworks, institutions and processes in conflict-affected settings (phase I)

46. In 2015, the Advisory Board on Disarmament Matters recommended undertaking a study to assess the role of arms control in managing conflicts, in particular of peacekeeping missions. In pursuit of that objective, the project will assess the role of arms control in managing conflict. The project is comprised of three components: a comprehensive study establishing baselines for national capacities and processes governing arms and ammunition, in line with international and regional norms and standards; a feasibility study of a benchmarking methodology to assess progress made in the implementation of arms embargoes and related arms control measures at the national level; and an expert meeting series designed to identify concrete ways to effectively operationalize weapons and ammunition management.

(iii) Examining the roles, responsibilities and potential contributions of private sector industry actors in stemming the flow of improvised explosive devices and related materials

47. The international community agrees on the urgent need to address the danger posed by improvised explosive devices. Given their non-traditional means of production, engaging non-governmental private sector stakeholders is an essential component in this approach. UNIDIR is holding consultative meetings with States and private sector actors in an effort to explore the roles and responsibilities of the private sector in and potential contributions to stemming the flow of improvised explosive devices and related materials.

(c) Emerging security issues

(i) An updated, interactive digital edition of the 2013 cyberindex

48. Building on the Institute's publications, "The cyber index: international security trends and realities" (2013) and "Towards cyberstability: a user-centred tool for policymakers" (2015), UNIDIR is creating an online tool to provide policymakers with timely, policy-relevant information on cybersecurity issues. The project will contribute to improving the capacity of policy actors working in the cyberdomain. The tool will serve a wide range of users and needs and will help users to make the best use of existing information resources rather than just contribute to the ever-growing supply of information and data.

(ii) The weaponization of increasingly autonomous technologies (phase III)

49. Phase III of the project will have three sets of activities. First, a series of "issue primers" will focus on issues likely to be under consideration within a group of governmental experts on laws (that is, definitions). Second, cross-disciplinary expert groups will continue to consider questions of direct relevance to the group of governmental experts, in order to enrich national discussions with new perspectives and linkages to other relevant fields, most importantly artificial intelligence. Third, it will support policymakers in developing a better understanding of the technological trajectory of autonomy in the near-to-medium term through a series of interactive gaming technology scenarios, which will enable participating government experts to explore potential legal, operational and ethical issues that might arise from applications of autonomy to particular aspects of weapons.

(iii) Second international security cyber issues workshop series

50. Building on the success of the 2016 workshop series, and starting in the second half of 2017, UNIDIR and the Center for Strategic and International Studies will convene three additional expert workshops on international cybersecurity issues for participants from Member States, the private sector, civil society and academia. The goal is to promote common understandings of key issues identified by the groups of governmental experts; and identify ways to operationalize the recommendations contained within existing reports of such groups that are both nationally and regionally relevant.

(iv) Cyberstability conference series

51. The 2017 edition of the UNIDIR annual cyberstability conference is planned for the second half of 2017 and will be held in New York for the first time.

(v) Space security conference series

52. The 2017 conference, with the theme "The outer space treaty's fiftieth anniversary: reviewing the regime", was held in April 2017. Since the entry into force of the treaty, space activities have increased in both number and importance. The Conference reviewed the main multilateral initiatives to safeguard access to, and use of, outer space and assessed the adequacy of the outer space regime in an evolving environment, in which new threats to space systems can be destabilizing.

(d) Disarmament machinery

The role and importance of the Hague conferences: a historical perspective

53. The Hague Conferences of 1899 and 1907, convened on the initiative of Tsar Nicolas II, were among the earliest efforts to negotiate arms control among sovereign nations in an international forum at peacetime. UNIDIR supported the Russian Federation Presidency of the Conference on Disarmament in commemorating the 110th anniversary of the second Hague Conference by producing a paper presented at a special Conference event in February 2017.

2. Other ongoing activities

(a) Consultative, capacity building and advisory services

54. In accordance with its statute, the Institute's work shall aim at, inter alia, promoting informed participation by all States in disarmament efforts, assisting ongoing negotiations on disarmament and stimulating new initiatives for new negotiations. In practice, that work is often accomplished through ad hoc advisory

services. The number of requests for such services is a significant indicator of the value and reputation of the Institute's work, but far exceeds the capacity of staff to respond.

55. In 2016, UNIDIR staff, both institutional and research, provided support to the work of, among others, the Chair of the Open-ended Working Group taking forward multilateral nuclear disarmament negotiations. UNIDIR staff also advised presidents of the Conference on Disarmament and other office holders at their request. UNIDIR staff made presentations on a number of topics at meetings of the Fifth Review Conference of the Convention on Certain Conventional Weapons, at the request of the Chair.

56. Requests also come from within the United Nations system, from regional groups, from international, multilateral and regional organizations, and from research and academic institutes, the media and civil society. Staff are regularly called upon to advise, consult with or brief interested parties, as well as to make presentations and provide capacity-building support. For example, staff provided capacity-building support to the European Union Partner-to-Partner Export Control Programme in Ouagadougou on preventing arms diversion; to the League of Arab States on combating illicit trade in small arms and light weapons; to the Implementation Agency for Crime and Security of the Caribbean Community on technical support for national points of contacts on the Arms Trade Treaty and the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects; and to the United Nations Support Mission in Libya and the Mine Action Service on a gender-balanced approach to small arms control. The preceding examples illustrate the range of UNIDIR services.

57. Member States expect UNIDIR staff to be available for advice and support at any time, and UNIDIR responds positively to such requests whenever possible. The ability to respond positively is limited, however, as such requests are rarely accompanied by funding and thus are undertaken at a financial loss.

(b) Disarmament education

58. In fulfilling its mandate, UNIDIR considers disarmament education to be an important part of its activities. In addition to briefing student groups visiting Geneva, in 2016 UNIDIR supported for the second time the Nuclear Disarmament and Non-Proliferation Training Programme of the Office of the United Nations Institute for Training and Research (UNITAR) in Hiroshima, Japan.

(c) Gender mainstreaming

59. In line with United Nations policy, UNIDIR is committed to gender equality. The commitment includes full participation of women and girls in all matters related to peace, security and disarmament. In addition to projects that have a specific gender dimension, UNIDIR incorporates a gender perspective across all of its work and has continued its contributions to the work of the International Gender Champions initiative.

(d) Governance

60. According to article III of its Statute, UNIDIR shall be governed by a Board of Trustees; the Advisory Board on Disarmament Matters serves as the UNIDIR Board of Trustees. In 2016, the Board held two sessions, in January in Geneva and in June in New York. The Board met again in Geneva in January 2017, at which time it received an extensive briefing from the UNIDIR leadership and research team. The Board commended the Institute for the impressive number of projects and activities,

and expressed its strong support for approval by the General Assembly of a proposed one-off increase in the regular budget subvention. The Board also expressed its belief that a closer relationship between it and the Institute would be mutually beneficial and agreed on a number of measures to that effect.

E. Projected activities and financial plan for 2018

61. A number of current projects will continue into 2018, and the rest of the 2018 programme of work will depend on securing funds for new projects. Nuclear issues will continue to feature prominently in the Institute's programme of work.

62. Following the meeting of the Group of Governmental Experts on lethal autonomous weapons systems later in 2017, in the context of the Convention on Certain Conventional Weapons, the Institute's well-established expertise in that area may be called upon. Following the conclusion of the work of the Group of Governmental Experts on Developments in the Field of Information and Telecommunications in the Context of International Security in June 2017, the Institute is likely to continue to have a prominent role in the United Nations approach to the implications of information and communications technology for international peace and security.

63. In the area of conventional arms, the Institute will continue its work through the identification of new opportunities and client needs. Specific work will support the General Assembly and the Security Council and promote progress in the implementation of international instruments, including preparations for the third United Nations Conference to Review Progress Made in the Implementation of the Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects and the fourth Conference of States parties to the Arms Trade Treaty.

64. The financial expenditure to support the 2018 programme of work is projected at $2,422,000, as shown in annex IV. The projected institutional operations budget for 2018 is contained in annex V.

IV. Looking ahead: towards sustainability

65. While the Institute has made measurable progress on most of its challenges, the need to ensure its long-term operational sustainability while maintaining its autonomy persists. Operating a research institute within the United Nations system entails high operating costs. While dedicated, earmarked project funding is growing, the Institute continues to face an increasingly challenging environment in financing the institutional framework necessary to undertake project activities in compliance with the rules, regulations and requirements of the Organization. States are increasingly unable to contribute to the institutional operations budget or funding not limited to implementation or duration of a specific project or activity. If that trend is not reversed, the Institute will face increasing constraints in its operations.

66. Most recently, at its June 2016 meeting, The UNIDIR Board reiterated its previous recommendations that the subvention to the Institute from the United Nations regular budget be increased on a sustained basis to fund the staffing of the institutional framework. The costs of the four essential institutional staff members are the largest component of the institutional operations budget.

67. It is recalled that in response to paragraph 9 of resolution 70/69, the representative of the Secretary-General informed the First Committee that the Department of Management would conduct an internal assessment in 2016 which

would inform his funding proposal for the exceptional one-off funding proposal for UNIDIR for the biennium 2018-2019. The assessment concluded that a core staff of four was deemed appropriate for the essential institutional element of UNIDIR: Director (D-2), Chief of Operations (P-5), Finance and Budget Officer (P-3), and one Administrative Assistant (GS-Other Level).

68. Following the internal assessment, the proposed programme budget outline of the Secretary-General for 2018-2019 included an increase of the regular budget subvention, as a one-time measure to preserve the future of the Institute in line with the request made by the General Assembly in its resolution 70/69 (see A/71/428, para. 13 (a) (ii)). The estimates are now included in the proposed programme budget for the biennium 2018-2019 (see A/72/6, sect. 4).

69. It is also recalled that the General Assembly, in paragraph 10 of resolution 70/69, requested the Secretary-General to commission an assessment by an independent third party with a mandate to prepare a report on the future structural, financial, administrative and operational aspects of the Institute, outlining a sustainable and stable funding structure and operating model as required to achieve the mandate and objectives of the Institute beyond the biennium 2018-2019, and to report in this regard, taking into account the aforementioned assessment, to the Assembly at its seventy-third session. The additional resource requirements for the external assessment are also included in the Secretary-General's proposed programme budget.

70. For the independent third party assessment to be able to properly inform the report requested from the Secretary-General, it will have to be carried out early in 2018. The General Assembly may then wish to take action based on the two reports. It is hoped that such action will ensure a sustainable and stable funding structure and operating model for UNIDIR, as requested in resolution 70/69. At the same time, the one-time measure mandated by that resolution and included in the proposed programme budget should help to preserve the Institute's future as requested in paragraph 9 of the resolution.

71. As a specific stability measure, in 2015 UNIDIR established a revolving capital fund (the Stability Fund) from which UNIDIR may borrow, as necessary, to temporarily bridge shortages in project funds, for example while awaiting disbursement of a payment from a donor. By the end of 2016, the Stability Fund was fully functional and fully resourced.

V. Conclusion

72. The Institute's administrative and financial footing is more stable than it has been for some time, but UNIDIR cannot take this stability for granted in the high-cost environment of the United Nations system. Constant innovative project development on relevant issues is required for successful resource mobilization for substantive activities. The Institute must also ensure that it continues to deliver high-quality outputs, as it is held accountable by its funders for the quality and timeliness of its projects and activities. UNIDIR has built an excellent reputation, which it cannot squander.

73. UNIDIR has been in a transition for the past two to three years, and the 2018 independent assessment, the report of the Secretary-General that will be informed by that assessment and the action that the General Assembly may wish to take mean that the transition is likely to be extended into 2018 and 2019. The goal of that report, as set out in resolution 70/69, is to ensure that UNIDIR can continue to serve the Member States in line with its mandate.

Annex I

Basis for preparation of the financial statements of the United Nations Institute for Disarmament Research

The financial statements of the United Nations have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) since 2014. The UNIDIR Trust Fund is included in Volume I of the financial report and audited financial statements (of the Board of Auditors), and the Institute's financial statements are therefore prepared in accordance with IPSAS. Prior to 2014, the financial statements were prepared in accordance with the United Nations system accounting standards.

Financial statements prepared in accordance with IPSAS apply full accrual-based accounting, which is a significant change from United Nations system accounting standards. Accrual-based accounting requires the recognition of transactions and events when they occur and the presentation of all assets and liabilities of the entity appropriately valued at the reporting date. Accordingly, the accounting policies of the Organization and UNIDIR have been updated to support compliance with IPSAS.

Assets. Under the United Nations system accounting standards, physical assets and intangibles were expensed when purchased and did not appear on the balance sheet; under IPSAS, the Organization reports property, plant and equipment, inventories and intangible assets on the face of the financial statements.

Liabilities. Under the United Nations system accounting standards, only some liabilities were recognized; under IPSAS, all liabilities are recognized. With IPSAS, the Organization recognized its long-term employee benefits liabilities of after-service health insurance, unused annual leave and accrued repatriation benefits. Such liabilities are centrally recorded in separate funds for all United Nations entities reflected in Volume I (UNIDIR being among those entities) and are therefore not shown on individual trust fund statements.

Revenue. Under IPSAS, the Organization changed the revenue recognition point for its voluntary contributions. Revenue is now recognized when an agreement to provide unconditional voluntary funding is signed. Recognition of revenue for voluntary contributions is for the total amount of the agreement, including any pledge for funding to be received in future years, even before receipt of cash.

Expenses. Expenses are now recorded in the financial statements only when goods or services have been received, and not when commitments have been made, as was the case under United Nations system accounting standards. Thus, under IPSAS, commitments against budgets do not qualify as expenses in the financial statements and are not reported, while accrued expenses for goods and services received during the year are recorded. Staff benefits are recorded as expenses when earned by staff.

Annex II

Table 1
Actual revenue and expenses for 2015, 2016 and first quarter of 2017[a]
(Thousands of United States dollars)

Description	*2015*	*2016*	*First quarter 2017*
Revenue			
Voluntary contributions[b]	2 403	2 778	63
Investment revenue	11	27	15
Other transfers and allocations	524	440	278
Other revenue	30	37	3
Total revenue	**2 968**	**3 282**	**359**
Expenses			
Employee salaries, allowances and benefits	1 427[c]	1 193[d]	274[e]
Non-employee compensation and allowances	176	576[f]	163[g]
Grants and other transfers	39	0	0
Supplies and consumables	0	1	0
Travel	101	216	59
Other operating expenses	213	95	39
Programme support and prorated expenses	110	79	28
Other expenses	8	20	1
Total expenses	**2 074**	**2 180**	**564**
Surplus/(deficit) for the year[h]	**894**	**1 102**	**(205)**

[a] Figures are from UNIDIR statements of financial performance for the years 2015 and 2016, which were prepared in accordance with IPSAS.
[b] Contributions are accounted for in the year in which the pledge is signed, for present as well as for future years.
[c] Institutional staff costs in 2015 amount to $996,438.
[d] Institutional staff costs in 2016 amount to $1,079,890.
[e] Institutional staff costs for the first quarter of 2017 amount to $244,399.
[f] $31,951 corresponds to travel of consultants.
[g] $15,671 corresponds to travel of consultants.
[h] Timing of receipt of funding from donors as well as the implementation period of relevant projects and activities by UNIDIR have an impact on this number at year end.

Table 2
Details of voluntary contributions for 2016[a]
(United States dollars)

	Amount
A. Voluntary contributions	
China	20 000
Finland	212 694
France	160 000
Germany	1 324 592[b]
Holy See	4 000
Ireland	7 804

	Amount
Kazakhstan	10 000
Lebanon	4 979
Luxembourg	11 274
Mexico	10 000
Netherlands	87 000
New Zealand	32 787
Norway	222 180
Pakistan	5 000
Philippines	2 000
Russian Federation	100 000
Sweden	27 627
Switzerland	351 788[c]
Thailand	39 007
Turkey	2 000
United Arab Emirates	10 000
United States of America	10 000
Center for Strategic and International Studies	61 764
Irish Aid	54 348
Open Society Foundations[d]	15 735
Simons Foundation	20 000
Refund to donors	(28 832)
Subtotal, A	**2 777 747**
B. Other transfers and allocations	
Subvention from the United Nations regular budget	224 700[e]
Office for Disarmament Affairs	20 000
United Nations Trust Facility Supporting Cooperation on Arms Regulation	195 300
Subtotal, B	**440 000**
Total	**3 217 747**

[a] Figures are based on UNIDIR statement of financial performance for the year ended 31 December 2016. The statement was prepared in accordance with IPSAS; contributions are accounted for in the year when the pledge is signed, for present as well as for future years. See annex I for additional information.

[b] $849,257 represents funding for 2017 projects and activities.

[c] $45,576 represents pledges for 2017 projects and activities.

[d] The Open Society Institute, part of the Open Society Foundations, provided an in-kind contribution of $27,900 for travel-related services.

[e] Does not include $27,800 for 2016, which was received at the end of 2015.

Annex III

Projected revenue and expenses for 2017[a]

(Thousands of United States dollars)

Description	*2017*
Revenue	
Voluntary contributions	3 120
Investment income	11
Other transfers and allocations	428
Other revenue	18
Total revenue	**3 577**
Expenses	
Employee salaries, allowances and benefits	1 759
Non-employee compensation and allowances	213
Grants and other transfers	60
Supplies and consumables	3
Travel	112
Other operating expenses	253
Programme support and prorated expenses	119
Other expenses	12
Total expenses	**2 531**
Surplus/(deficit) for the year	**1 046**

[a] Projections for 2017 were calculated as an average of the years 2014, 2015 and 2016, plus 1 per cent (see A/71/162).

Annex IV

Projected revenue and expenses for 2018[a]

(Thousands of United States dollars)

Description	*2018*
Revenue	
Voluntary contributions	3 016
Investment income	16
Other transfers and allocations[b]	434
Other revenue	24
Total revenue	**3 490**
Expenses	
Employee salaries, allowances and benefits	1 574
Non-employee compensation and allowances	337
Grants and other transfers	40
Supplies and consumables	2
Travel	147
Other operating expenses	201
Programme support and prorated expenses	106
Other expenses	15
Total expenses	**2 422**
Surplus/(deficit) for the year[c]	**1 068**

[a] Projections for 2018 were calculated as an average of the years 2014, 2015, 2016 and 2017, plus 1 per cent.

[b] Pursuant to General Assembly resolution 70/69, an increase of the subvention from the regular budget in an amount of $1,524,700, as a one-time measure to preserve the future of the Institute, is being requested for approval by the Secretary-General for the biennium 2018-2019. This is in addition to the annual subvention (and other transfers and allocations) provided as part of UNIDIR projections for 2018. The increase includes a funding requirement for institutional core staffing as well as an amount of $300,000 for an assessment by an independent third party. Resources related to the assessment will be managed by the Office for Disarmament Affairs in close collaboration with the United Nations Office at Geneva (see A/72/6 (sect. 4)).

[c] Timing of receipt of funding from donors as well as the implementation period of relevant projects and activities by UNIDIR have an impact on this number at year end.

Annex V

Institutional operations budget for 2018

(Thousands of United States dollars)

	Amount
Institutional staff[a]	
D-2	324.2
P-5	264.6
P-5	264.6
P-3	185.9
1 GS (OL)	163.7
Subtotal, institutional staff	**1 203.0**
Travel	20.0
Communications and outreach	50.0
Information and Communications Technology Service	18.0
Telecommunications	10.0
Miscellaneous operating costs	15.0
Subtotal, institutional operating costs	**113.0**
Subtotal	**1 316.0**
Programme support costs	65.8
Total	**1 381.8**

Abbreviation: GS (OL), General Service (Other level).

[a] Based on budget information system standard salary costs for the biennium 2016-2017, applicable to Geneva (version 9), as figures for the biennium 2018-2019 are not yet available.

Annex VI*

Conferences and other events in 2016

1) 29 November, Geneva: FM(C)T Meeting Series — Addressing Disparities in a Non-discriminatory Fissile Material Treaty.

2) 15-18 November, Abuja: National Baseline Assessment on Weapon and Ammunition Management.

3) 15-16 November, Geneva: Increasing UAV Transparency, Oversight and Accountability: Mapping Developments, Capabilities and Responses.

4) 14 November, Geneva: Implementing Article VII of the BTWC: Challenges and Opportunities.

5) 8-9 November, Geneva: Tabletop Exercise (TTX) on the Implementation of Article VII of the BTWC.

6) 20 October, New York: Weapons and Ammunition Management Baseline Assessment in Conflict-affected Settings: Key Observations and Initiatives.

7) 18 October, New York: Multilateral Negotiations on Nuclear Disarmament — Ways Forward.

8) 6-7 October, Nairobi: Examining Shared Regional Understanding to Strengthen End Use/r Control Systems to Prevent Arms Diversion.

9) 6 October, New York: Emerging Technology, International Security and International Law.

10) 5 October, New York: The UN, Cyberspace and International Peace and Security.

11) 27-30 September, Abidjan: National Baseline Assessment on Weapon and Ammunition Management.

12) 21-22 September, Port of Spain: Examining Common Subregional Understanding to Strengthen End Use/r Control Systems to Prevent Arms Diversion.

13) 19 September, Geneva: Application of ISACS and IATGs to Strengthen Weapon and Ammunition Management (WAM) in Conflict-affected and Fragile Settings.

14) 25 August, Geneva: Roundtable Side-event on Enhancing Cooperation and Preventing Diversion: Strengthening End Use/r Control Systems.

15) 2-5 August, Kinshasa: National Baseline Assessment on Weapon and Ammunition Management.

16) 17 June, Geneva: Cyber Stability Conference 2016: Taking Security Forward — Building on the 2015 Report of the GGE.

17) 15-16 June, Geneva: International Cyber Security Workshop Series: Managing the Spread of Cyber Tools for Malicious Purposes.

18) 9 June, New York: Actionable Tools to Support the Implementation of Small Arms Control Measures.

* Annex VI is being issued without formal editing and in the language of submission only.

19) 8 June, New York: Towards the Establishment of a National Framework for Weapons and Ammunition Management in Somalia.

20) 8 June, New York: Examining Options to Strengthen Weapons and Ammunition Management in Conflict-affected Settings.

21) 9 June, New York: Actionable Tools to Support the Implementation of Small Arms Control Measures.

22) 1 June, Geneva: FM(C)T Meeting Series — Verifiable Declarations of Fissile Material Stocks: Challenges and Solutions.

23) 19 May, Geneva: Explosive Weapons Use in Populated Areas: Understanding the Reverberating Effects and their Policy Implications.

24) 28-29 April, Geneva: Space Security 2016 — Sustaining the Momentum.

25) 19-21 April, Geneva: International Cyber Security Workshop Series: The Application of International Law in the Context of International Cybersecurity.

26) 11 April, Geneva: Understanding Different Types of Risks.

27) 7-8 April, Geneva: The Weaponization of Increasingly Autonomous Technologies: Technology, Safety and Unintentional Risk.

28) 23 March, Geneva: FM(C)T Meeting Series — FM(C)T: Elements of the Emerging Consensus.

29) 21-24 March, Geneva: Gender Balanced Approaches to Small Arms Control and Awareness to Strengthen Community Resilience in Libya.

30) 9-10 February, Geneva: International Cyber Security Workshop Series: The Future of Norms to Preserve and Enhance International Cyber Stability.

31) 8-11 February, Mogadishu: Development of technical guidelines to support implementation of Weapons and Ammunition Management Systems.

Annex VII*

1) John Borrie, Tim Caughley, Torbjørn Graff Hugo, Magnus Løvold, Gro Nystuen, Camilla Waszink. *A Prohibition on Nuclear Weapons: A Guide to the Issues.*

2) *OEWG Briefing Paper no. 2. The Treatment of the Issue of Nuclear Disarmament since the Open-Ended Working Group in 2013.*

3) *Examining Options to Enhance Common Understanding and Strengthen End Use and End User Control Systems to Address Conventional Arms Diversion.*

4) Pavel Podvig. *Fissile Material (Cut-off) Treaty: Elements of the Emerging Consensus.*

5) Christina Wille, with input from John Borrie. *The Implications of the Reverberating Effects of Explosive Weapons Use in Populated Areas for Implementing the Sustainable Development Goals.*

6) Pavel Podvig. *Verifiable Declarations of Fissile Material Stocks: Challenges and Solutions.*

7) Christina Wille, John Borrie. *Understanding the Reverberating Effects of Explosive Weapons: A Way Forward.*

8) *Space Security 2016 — Conference Report.*

9) Pavel Podvig. *Fissile Material (Cut-off) Treaty: Definitions, Verification, and Scope.*

10) *Report of the International Security Cyber Issues Workshop Series.*

11) Tim Caughley. *Nuclear Disarmament Verification: Survey of Verification Mechanisms.*

12) *UNIDIR Cyber Stability Seminar 2016 — Taking Security Forward: Building on the 2015 Report of the GGE.*

13) John Borrie, Kjølv Egeland, Torbjørn Graff Hugo, Anne Guro Dimmen, Camilla Waszink. *Gender, Development and Nuclear Weapons: Shared Goals, Shared Concerns.*

14) *Taking Forward Multilateral Nuclear Disarmament Negotiations: The 2016 Open-ended Working Group.*

15) Pavel Podvig. *Building Blocks of the Future Fissile Material (Cut-off) Treaty.*

16) Jarmo Sareva. *Director Statement to the United Nations General Assembly First Committee.*

17) Zia Mian, Pavel Podvi, Annette Schaper. *FM(C)T Meeting Series — FM(C)T: Elements of the Emerging Consensus.*

18) *Safety, Unintentional Risk and Accidents in the Weaponization of Increasingly Autonomous Technologies.*

19) *Meeting Summary — Examining Common Subregional Understandings to Strengthen End Use/r Control Systems to Prevent Arms Diversion. Subregional Consultative Meeting, Port of Spain, Trinidad and Tobago, 21-22 September 2016.*

20) *Meeting Summary — Examining Common Regional Understandings to Strengthen End Use/r Control Systems to Prevent Arms Diversion. Regional Consultative Meeting, Nairobi, Kenya, 6-7 October 2016.*

---

* Annex VII is being issued without formal editing and in the language of submission only.